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Arizona Corporation Commission
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DOCKET CONTROL**

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**RE: Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance
Pending Tariff Revision - T-03289A-07- 0341**

Dear Madam/Sir:

Enclosed please find an original and thirteen (13) copies of responses filed behalf of Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance ("VLD") to data requests posed by Arizona Staff in the above referenced tariff case.

The original filing proposed to add a new Minimum Spend Level to Plan L Service as a subset of the current authorized Maximum Monthly Recurring Charge on file and approved by the Arizona Corporation Commission. Customers have been notified of this rate addition via a bill message. A copy of this bill message was enclosed with the original filing made in May.

VLD did not file this as a request for new maximum rate since the Minimum Spend Level includes the Monthly Recurring Charge and the combination of the two charges will not exceed the maximum rate currently approved for the Monthly Recurring Charge. Hence the notice provided was one which would apply to changes within an approved maximum.

Attached please find the company's responses to the questions posed in the June 29, 2007 correspondence from the Commission.

Any questions you may have regarding this issue may be directed to my attention at (407) 740-8575 or via email at cwightman@tminc.com

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to the courier.

Thank you for your assistance.

Sincerely,

Connie Wightman
Consultant

CW/lw

cc: Cheryl Powers
File BACI - AZ
TMS: 3751 AZ0707a
VLD: B07-28

Arizona Corporation Commission
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JUL 13 2007

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Data Request Responses

1. Statement setting forth the reasons for which a rate increase is required.

Response: This filing is one state out of a nationwide filing. The nationwide endeavor is designed to increase revenues by increasing the amounts paid by low volume consumers.

2. Is there a cost based justification for the rate increase (i.e., is the rate increase necessary to account for a change in your costs)? If yes, please describe the change in your costs. Provide calculations and data to support your cost justification.

Response: No, this rate increase is market driven and not cost-based.

3. A schedule of current rates and proposed rates and the additional revenues to be derived from the proposed rates.

Response:

Current Maximum MRC	Current MRC	Proposed MSL	Total New Current Monthly Rate
\$12.00	\$6.00	\$9.99	\$9.99 (includes \$6 MRC)

Additional revenues: Approximately \$1,400.00 per month

4. An affidavit verifying that appropriate notice of the proposed rate increase has been provided to customers of the service.

Response: Appropriate notice of the MSL has been provided to customers of this service.

5. A copy of the customer notification you sent to your customers.

Response: See Exhibit A, this is the same notice that was provided with the original filing in May.

FBM 1-1 Please clarify the Company's filing of Plan L Service MSL of \$9.99 per month. On the notification of price increase, there's no mention of MRC under this plan. Is a MRC charged to customers under this plan? If so, what is the monthly MRC?

Response: This filing adds a new Minimum Spend Level to Plan L Service as a subset of the current authorized Maximum Monthly Recurring Charge on file and approved by the Arizona Corporation Commission. The existing Monthly Recurring Charge of \$6.00 will continue to apply. If a customer spends \$2.00 in usage, the bill will be computed as follows:

\$6.00 MRC
\$2.00 Usage
<hr/>
\$8.00
\$1.99 Minimum Spend Level adjustment
<hr/>
\$9.99 Total billing

If a customer spends \$4.00 in usage, the bill will be computed as follows:

\$6.00 MRC
\$4.00 Usage
<hr/>
\$10.00 Total Billing (minimum spend level does not apply)

FBM 1-2 Is the MRC included in the MSL of \$9.99 per month?

Response: Yes, it is included as illustrated in the Response 1-1 above.

FBM 1-3 Please identify the Commission approved maximum MRC under this plan.

Response: The current maximum MRC of \$12.00 is found on page 34.5.9.

FBM 1-4 Will the Company interchange/replace the MRC with MSL?

Response: No, the combined MRC/MSL will not exceed the currently approved maximum MRC. In fact ,the combined MRC/MSL will not exceed \$9.99 as proposed in this filing.

FBM 1-5 Please explain what happens when a customer's combined MRC and MSL charges exceed the maximum MRC.

Response: That cannot happen as proposed in this filing.

FBM 1-6 Please explain how the MSL will appear on your customer's billing statement.

Response: It will be shown as a Shortfall Charge with the following explanation on the bill:
"Your Long Distance qualifying charges this month are \$x.xx. When long distance charges are less than \$9.99, the shortfall charge is the difference between those charges and \$9.99. All long distance charges except for taxes and surcharges are included."

FBM 1-7 Please explain how the MSL will be applied.

Response: An adjustment will be applied to the customer's bill when the combined usage and monthly recurring charge fail to meet or exceed the Minimum Spend Level. The MSL charge will be the difference between the MSL (\$9.99) and the actual usage plus MRC. If the contributory charges are less than the MSL rate, the difference between the MSL rate and the contributory charges will be a separate charge on the bill. See examples in Response 1-1 above.

FBM 1-8 Will the MSL be applied on a monthly basis?

Response: Yes, the MSL will be tested and applied, if necessary, on each monthly bill. Each billing month when the contributory charges are equal to or greater than the MSL, no MSL charge is imposed. If the contributory charges are less than the MSL rate, the difference between the MSL rate and the contributory charges will be a separate charge on the bill.

FBM 1-9 Please explain if the MSL is applied per billing telephone number, per line, per customer name, or by some other criteria.

Response: The MSL is applied per billing account, regardless of the number of lines on the account.

FBM 1-10 Please differentiate what the "minimum usage fee requirement" and the MSL is. Please define what constitutes "applicable charges"?

Response: "Minimum usage fee requirement" is a restatement of the MSL so that customers may understand it more clearly if stated in an alternate manner. "Applicable charges" are those charges that contribute toward meeting the MSL, which include but are not limited to: Direct Dialed calls, International calls, Travel Card calls, Away from Home calls, Personal Toll Free calls, Operator Assistance calls and Domestic and International Monthly Recurring Charges. Federal taxes, state taxes, credits, Universal Service Fees, charges billed by other carriers and other surcharges and taxes do not contribute towards satisfying the minimum spend level requirement.

FBM 1-11 In which States does Verizon Long Distance have MSL implemented? For those States in which Verizon Long Distance has MSL implemented, please provide the dates when those MSLs were approved.

Response: The MSL has been filed in all States for which a filing is required. It has been approved and implemented in all States as of July 1, 2007 – except for Arizona.

FBM 1-12 Please explain how the Company believes its proposed Plan L Service MSL of \$9.99 per account compare to those of similar services offered by its competitors. List at least three companies that are your competitors in Arizona. For each of the competitors, identify MSL per account that is comparable to your proposed MSL of \$9.99 per account. Also, furnish the source(s)/information of each MSL per account (i.e. URL address, link or print computer document(s)).

Response: See Exhibit B.

FBM 1-13 Please explain if the service impacted by the MSL of \$9.99 per account is being enhanced with new or additional features. (Example: Will the customer receive in return lower per minute long distance rates? Is there a cap to the customer's monthly charge if they meet or exceed the monthly MSL?)

Response: There are no other changes to this service at this time.

FBM 1-14 Please explain when the maximum and current MSL of \$9.99 per account was previously increased.

Response: No changes have been made to maximum rates associated this service since it was introduced in 2003. The MRC was increased to \$6.00 in 2006. The MSL is a new variation which adds to the monthly recurring charge when the customers combined MRC and usage fail to meet or exceed the MSL.

FBM 1-15 Please confirm or correct the existing Actual and Maximum MSL of \$9.99 per account the Company proposes to increase.

Response: There is no existing Actual and Maximum MSL. This filing proposes to add the MSL. The filing proposes to add it in a manner in which the new MSL and MRC combined do not exceed the maximum Monthly Recurring Charge already approved by this Commission.

FBM 1-16 For each MSL of \$9.99 per account the Company proposes to implement, please provide:

Response: the number of Arizona customers impacted (provide estimate) 700 customers
the total annualized Arizona revenue associated with all Arizona customers under the existing current and maximum rates (provide calculation of estimate)
Current revenue - \$5,500 per month; \$66,000 per year
Incremental additional revenue - \$1,400 per month; \$16,800 per year.
the total annualized Arizona revenue associated with all customers under the proposed addition of MSL charge (provide calculation of estimate) - same as above.

FBM 1-17 Please explain if the expected effect of this filing on the Company's Arizona revenues is less than 1 percent, from 1 to 5 percent, etc. (provide calculation of estimate to arrive at revenue per year in Arizona as of June 1, 2007).

Response: The impact on Arizona intrastate revenues is expected to be approximately 2%. This is based on actual revenue data from June 2006 through May 2007. During that period, intrastate revenues were approximately 32% of the total revenues generated by the Company's Arizona customers. Applying that proportion to the anticipated MSL revenue gain, the net impact is an intrastate revenue increase of 2%.

FBM 1-18 Is the proposed MSL of \$9.99 per account the Company proposes to implement in Arizona the same charge by the Company in other states? If not, please explain. Is the proposed MSL of \$9.99 per account the Company proposes to increase in Arizona nation-wide? If not, please explain.

Response: The \$9.99 MSL in Arizona is the same rate for all states. It is a nationwide rate.

FBM 1-19 Is Verizon Long Distance in full compliance with all Commission's Decisions, reporting requirements (i.e., Annual Report, filing of Diversification Activities and Plans, Accident Reports, etc.), and addressed all Consumer inquiries and/or complaints in the Utilities Division?

Response: Yes, Verizon Long Distance is in full compliance to the best of its knowledge and belief.

FBM 1-20 Is Verizon Long Distance in "Good Standing" with the Corporation Division of the Arizona Corporation Commission?

Response: Yes, Verizon Long Distance is in Good Standing to the best of its knowledge and belief.

FBM 1-21 Please provide Verizon Long Distance's fair value rate base, the value of all assets under Arizona's jurisdiction.

Response: Verizon Long Distance sets its rates in a competitive market and has not undertaken a fair value rate base computation for its Arizona operations.

FBM 1-22 Did you provide 60 days notice to affected customers of the proposed tariff changes as required in R14-2-504 (B) (2.)?

Response: No. Verizon Long Distance provided notice via bill message at least 30 days prior to the proposed effective date of this rate increase, consistent with staff policies pertaining to customer notice for rate increases within a previously established maximum rate.

FBM 1-23 Please indicate whether Verizon Long Distance currently has a performance bond in Arizona. If so, what is the amount of the performance bond.

Response: Yes, \$25,000.

Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance
Docket T-03289A-07-0341

EXHIBIT A
Customer Notice

Plan L Service (marketing name: Five Cents Plan)

Add \$9.99 MSL

Bill Message Notification: May 1-31, 2007

Notice of Price Increase: Effective 7/1/07, the Verizon Long Distance Five Cents Plan will have a monthly Minimum Spend Level (MSL) of \$9.99 per month. Charges that contribute toward meeting the minimum appear in the Verizon Long Distance section of the bill and include, but are not limited to: domestic 1+ and international long distance calls, Calling Card calls, Away from Home, Personal Toll Free, Operator Assistance calls, and Domestic and International Monthly Recurring Charges. Federal taxes, state taxes, credits, Universal Service Fees, charges billed by other carriers, and other surcharges and taxes do not contribute towards satisfying the minimum usage fee requirement. Each billing month when the applicable charges are equal to or greater than the MSL, no MSL charge is imposed. If the applicable charges are less than the MSL rate, the difference between the MSL rate and the applicable charges will be a separate charge on the bill.

Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance
Docket T-03289A-07-0341

EXHIBIT B
Competitor Rates

AT&T Minimum Monthly Usage Charge \$9.99

Applies at a minimum to the following plans: AT&T 5 Cent Weekends; AT&T One Rate Basic Plan, AT&T One Rate On-Line, AT&T Simplified Plan, AT&T One Rate 12 Cent Plan and AT&T One Rate OFF Peak Plan.

<http://serviceguide.att.com/ACS/ext/doc/Minimum%20Monthly%20Usage%20Charge%20%2D%20guide11111111%2Edoc>

MCI

Anytime Access - \$6.99 Minimum Monthly Usage Charge, \$0.12 per minute rate (interstate)

http://consumer.mci.com/mci_service_agreement/res_pdf/MCI_Anytime_Access.pdf

Anytime Value \$6.99 Minimum Monthly Usage Charge with \$0.07 per minute rate (interstate)

http://consumer.mci.com/mci_service_agreement/res_pdf/MCI_Anytime_Value.pdf

Qwest Long Distance

6 Cent No Fee plan - \$10.00 Minimum Monthly Usage

Qwest Choice Long Distance Plus – \$15.00 minimum monthly usage per account, \$0.05 per minute

Option T - \$3.00 minimum monthly usage, \$1.99 per month and \$0.16 per minute

http://tariffs.qwest.com:8000/idc/groups/public/documents/rss/htmltoc_qcc_rss3.htm